



September 30, 2004

Louisville Gas and Electric Company
220 West Main Street (40202)
P.O. Box 32010
Louisville, Kentucky 40232

Elizabeth O'Donnell, Executive Director
Public Service Commission of Kentucky
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40601

Case 2004-00390

RECEIVED

SEP 30 2004

PUBLIC SERVICE
COMMISSION

Re: Gas Supply Clause Case No. 2004-00XXX

Dear Ms. O'Donnell:

Pursuant to the provisions of the Company's Gas Supply Clause as authorized by the Commission, we file herewith an original and four copies of the Second Revision of Original Sheet No. 70 of LG&E Tariff PSC of Kentucky Gas No. 6 setting forth a Gas Supply Cost Component of 83.816 cents per 100 cubic feet applicable to all gas sold during the period of November 1, 2004 through January 31, 2005. In addition, we file herewith a corresponding number of copies of "Supporting Calculations for the Gas Supply Clause."

Also enclosed herewith is a summary of our gas service rates effective for the period of November 1, 2004 through January 31, 2005.

Furthermore, we are filing a petition to seek confidentiality with respect to the names of natural gas suppliers otherwise shown on Exhibit B-1, Pages 5 and 6 of 6.

This filing represents expected gas costs for the November 1, 2004 through January 31, 2005 period. The Gas Cost Actual Adjustment (GCAA) and the Gas Cost Balance Adjustment (GCBA) levels are changed from the levels that were implemented on August 1, 2004. These adjustment levels will remain in effect from November 1, 2004 through January 31, 2005. This filing also reflects the pass-through of allowable expenses which are anticipated for the period of November 1, 2004 through January 31, 2005, as prescribed in the Commission's Order dated June 30, 2004, in Case No. 2003-00433.

We respectfully request your acceptance of this filing which we believe is in full compliance with the provisions of the LG&E Gas Supply Clause approved by the Kentucky Public Service Commission.

Respectfully,

Robert M. Conroy
Manager, Rates

Enclosures

Louisville Gas and Electric Company

Second Revision of Original Sheet No. 70
P.S.C. of Ky. Gas No. 6

STANDARD RATE SCHEDULE

GSC

Gas Supply Clause

APPLICABLE TO

All gas sold.

GAS SUPPLY COST COMPONENT (GSCC)

Gas Supply Cost	81.110¢
Gas Cost Actual Adjustment (GCAA)	0.717
Gas Cost Balance Adjustment (GCBA)	0.905

Refund Factors (RF) continuing for twelve months from the effective date of each or until Company has discharged its refund obligation thereunder:

None Applicable

Performance-Based Rate Recovery Component (PBRRC)	<u>1.084</u>
Total Gas Supply Cost Component Per 100 Cubic Feet (GSCC)	83.816¢

Date of Issue: October 1, 2004
Canceling First Revision of
Original Sheet No. 70
Issued July 29, 2004

Issued By

Date Effective: November 1, 2004

Michael S. Beer, Vice President
Louisville, Kentucky

Issued By Authority of an Order of the K.P.S.C. in Case No. 2004-00XXX dated _____, 2004

LOUISVILLE GAS AND ELECTRIC COMPANY

Supporting Calculations For The

Gas Supply Clause

2004-00XXX

For the Period

November 1, 2004 through January 31, 2005

LOUISVILLE GAS AND ELECTRIC COMPANY

Derivation of Gas Supply Component Applicable to
Service Rendered On and After November 1, 2004

2004-00XXX

Gas Supply Cost - See Exhibit A for Detail

Description	Unit	Amount
Total Expected Gas Supply Cost	\$	139,709,624
Total Expected Customer Deliveries: November 1, 2004 - January 31, 2005	Mcf	17,224,631
Gas Supply Cost Per Mcf	\$/Mcf	8.1110
Gas Supply Cost Per 100 Cubic Feet	¢/Ccf	81.110

Gas Cost Actual Adjustment (GCAA) - See Exhibit B for Detail

Description	Unit	Amount	
Current Quarter Actual Adjustment	Eff. Nov 1, 2004 from 2004-00117	¢/Ccf	0.777
Previous Quarter Actual Adjustment	Eff. Aug 1, 2004 from 2003-00506	¢/Ccf	(0.530)
2nd Previous Qrt. Actual Adjustment	Eff. May 1, 2004 from 2003-00385	¢/Ccf	1.785
3rd Previous Qrt. Actual Adjustment	Eff. Feb 1, 2004 from 2003-00260	¢/Ccf	(1.315)
Total Gas Cost Actual Adjustment (GCAA)	¢/Ccf	0.717	

Gas Cost Balance Adjustment (GCBA) - See Exhibit C for Detail

Description	Unit	Amount
Balance Adjustment Amount	\$	(1,474,237)
Total Expected Customer Deliveries: November 1, 2004 - January 31, 2005	Mcf	16,297,803
Gas Cost Balance Adjustment (GCBA) Per Mcf	\$/Mcf	0.0905
Gas Cost Balance Adjustment (GCBA) Per 100 Cubic Feet	¢/Ccf	0.905

Refund Factors (RF) - See Exhibit D for Detail

Description	Unit	Amount
Total Refund Factors Per 100 Cubic Feet	¢/Ccf	0.000

Performance-Based Rate Recovery Component (PBRR) - See Exhibit E for Detail

Description	Unit	Amount
Performance-Based Rate Recovery Component (PBRR)	¢/Ccf	1.084
Total of PBRR Factors Per 100 Cubic Feet	¢/Ccf	1.084

Gas Supply Cost Component (GSCC) Effective November 1, 2004 - January 31, 2005

Description	Unit	Amount
Gas Supply Cost	¢/Ccf	81.110
Gas Cost Actual Adjustment (GCAA)	¢/Ccf	0.717
Gas Cost Balance Adjustment (GCBA)	¢/Ccf	0.905
Refund Factors (RF)	¢/Ccf	0.000
Performance-Based Rate Recovery Component (PBRR)	¢/Ccf	1.084
Total Gas Supply Cost Component (GSCC)	¢/Ccf	83.816

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation of Gas Supply Costs
For The Three-Month Period From November 1, 2004 Through January 31, 2005

	November	December	January	Total Nov 04-Jan 05
MMBtu				
1. Expected Gas Supply Transported Under Texas' No-Notice Service	906,605	2,161,158	715,032	3,782,795
2. Expected Gas Supply Transported Under Texas' Rate FT	760,533	1,066,800	1,113,549	2,940,882
3. Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 0)	1,200,000	1,240,000	1,240,000	3,680,000
4. Expected Gas Supply Transported Under Tenn.'s Rate FT-A (Zone 1)	330,000	341,000	341,000	1,012,000
5. Total MMBtu Purchased	3,197,138	4,808,958	3,409,581	11,415,677
6. Plus: Withdrawals from Texas Gas' NNS Storage Service	304,650	708,071	995,317	2,008,038
7. Less: Injections into Texas Gas' NNS Storage Service	0	0	0	0
8. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	3,501,788	5,517,029	4,404,898	13,423,715
Mcf				
9. Total Purchases in Mcf	3,119,159	4,691,666	3,326,420	
10. Plus: Withdrawals from Texas Gas' NNS Storage Service	297,220	690,801	971,041	
11. Less: Injections Texas Gas' NNS Storage Service	0	0	0	
12. Expected Monthly Deliveries from TGT/TGPL to LG&E (excluding transportation volumes under LG&E Rate TS)	3,416,379	5,382,467	4,297,461	
13. Plus: Customer Transportation Volumes under Rate TS	15,662	45,480	48,272	
14. Total Expected Monthly Deliveries from TGT/TGPL to LG&E (Line 12 + Line 13)	3,432,041	5,427,947	4,345,733	
15. Less: Purchases for Depts. Other Than Gas Dept.	54,904	73,967	76,245	
16. Less: Purchases Injected into LG&E's Underground Storage	229,809	0	0	
17. Mcf Purchases Expensed during Month (Line 12 - Line 15 - Line 16)	3,131,666	5,308,500	4,221,216	12,661,382
18. LG&E's Storage Inventory - Beginning of Month	14,890,002	14,345,002	13,070,002	
19. Plus: Storage Injections into LG&E's Underground Storage (Line 16)	229,809	0	0	
20. LG&E's Storage Inventory - Including Injections	15,119,811	14,345,002	13,070,002	
21. Less: Storage Withdrawals from LG&E's Underground Storage	745,000	1,250,401	3,400,762	5,396,163
22. Less: Storage Losses	29,809	24,599	19,238	73,646
23. LG&E's Storage Inventory - End of Month	14,345,002	13,070,002	9,650,002	
24. Mcf of Gas Supply Expensed during Month (Line 17 + Line 21 + Line 22)	3,906,475	6,583,500	7,641,216	18,131,191
Cost				
25. Total Demand Cost - Including Transportation (Line 14 x Line 46)	\$3,066,529	\$4,849,871	\$3,882,912	
26. Less: Demand Cost Recovered thru Rate TS (Line 13 x Line 46)	13,994	40,636	43,131	
27. Demand Cost - Net of Demand Costs Recovered thru LG&E Rate TS	\$3,052,535	\$4,809,235	\$3,839,781	
28. Commodity Costs - Gas Supply Under NNS (Line 1 x Line 47)	5,970,810	15,793,094	5,483,294	
29. Commodity Costs - Gas Supply Under Rate FT (Line 2 x Line 48)	4,984,609	7,760,970	8,502,392	
30. Commodity Costs - Gas Supply Under Rate FT-A Zone 0 (Line 3 x Line 49)	7,802,520	8,977,848	9,435,408	
31. Commodity Costs - Gas Supply Under Rate FT-A Zone 1 (Line 4 x Line 50)	2,163,942	2,485,447	2,610,150	
32. Total Purchased Gas Cost	\$23,974,416	\$39,826,594	\$29,871,025	\$93,672,035
33. Plus: Withdrawals from NNS Storage (Line 6 x Line 47)	2,006,394	5,174,370	7,632,688	14,813,453
34. Less: Purchases Injected into NNS Storage (Line 7 x Line 47)	0	0	0	0
35. Total Cost of Gas Delivered to LG&E	\$25,980,810	\$45,000,964	\$37,503,713	\$108,485,488
36. Less: Purchases for Depts. Other Than Gas Dept. (Line 15 x Line 51)	417,534	618,416	665,382	1,701,332
37. Less: Purchases Injected into LG&E's Storage (Line 16 x Line 51)	1,747,651	0	0	1,747,651
38. Pipeline Deliveries Expensed During Month	\$23,815,625	\$44,382,548	\$36,838,331	\$105,036,505
39. LG&E's Storage Inventory - Beginning of Month	\$94,097,368	\$90,933,505	\$82,851,280	
40. Plus: LG&E Storage Injections (Line 37 above)	1,747,651	0	0	
41. LG&E's Storage Inventory - Including Injections	\$95,845,019	\$90,933,505	\$82,851,280	
42. Less: LG&E Storage Withdrawals (Line 21 x Line 52)	4,722,555	7,926,292	21,557,430	\$34,206,277
43. Less: LG&E Storage Losses (Line 22 x Line 52)	188,959	155,933	121,950	466,842
44. LG&E's Storage Inventory - End of Month	\$90,933,505	\$82,851,280	\$61,171,899	
45. Gas Supply Expenses (Line 38 + Line 42 + Line 43)	\$28,727,139	\$52,464,773	\$58,517,711	\$139,709,624
Unit Cost				
46. 12-Month Average Demand Cost - per Mcf (see Page 2)	\$0.8935	\$0.8935	\$0.8935	
47. Commodity Cost (per MMBtu) under Texas Gas's No-Notice Service	\$6.5859	\$7.3077	\$7.6686	
48. Commodity Cost (per MMBtu) under Texas Gas's Rate FT	\$6.5541	\$7.2750	\$7.6354	
49. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 0)	\$6.5021	\$7.2402	\$7.6092	
50. Commodity Cost (per MMBtu) under Tenn. Gas's Rate FT-A (Zone 1)	\$6.5574	\$7.2887	\$7.6544	
51. Average Cost of Deliveries (Line 35 / Line 12)	\$7.6048	\$8.3607	\$8.7269	
52. Average Cost of Inventory - Including Injections (Line 41 / Line 20)	\$6.3390	\$6.3390	\$6.3390	
Gas Supply Cost				
53. Total Expected Mcf Deliveries (Sales) to Customers (November 1, 2004 through January 31, 2005)				17,224,631 Mcf
54. Current Gas Supply Cost (Line 45 / Line 53)				<u>\$8.1110</u> / Mcf

LOUISVILLE GAS AND ELECTRIC COMPANY
Calculation Of The Average Demand Cost Per Mcf Applicable To
The Three-Month Period From November 1, 2004 through January 31, 2005

Demand Billings:

Texas Gas No-Notice Service (NNS) Monthly Demand Charge	(	\$12.5864	x	119,913	MMBtu	) x 12	\$18,111,276
Texas Gas Firm Transportation (Rate FT) Monthly Demand Charge	(	\$6.0813	x	46,500	MMBtu	) x 12	3,393,365
Texas Gas Firm Transportation (Rate STF) Monthly Demand Charge	(	\$12.7750	x	1,250	MMBtu	) x 12	191,625
Tenn. Gas Firm Transportation (Rate FT-A, 0-2) Monthly Demand Charge	(	\$6.4640	x	40,000	MMBtu	) x 12	3,102,720
Tenn. Gas Firm Transportation (Rate FT-A, 1-2) Monthly Demand Charge	(	\$6.4640	x	11,000	MMBtu	) x 12	853,248
Long-Term Firm Contracts with Suppliers (Annualized)							9,667,740

ANNUAL DEMAND COSTS

\$35,319,974

Expected Annual Deliveries from Pipeline Transporters
(Including Transportation Under Rate TS) - MMBtu

40,516,867

Expected Annual Deliveries from Pipeline Transporters
(Including Transportation Under Rate TS) - Mcf

39,528,651

AVERAGE DEMAND COST PER MCF

0.8935

Pipeline Supplier's Demand Component Applicable to Billings
Under LG&E's Gas Transportation Service/Standby - Rate TS
The 3-Month Period from November 1, 2004 thru January 31, 2005

Pipeline Supplier's Demand Component per Mcf	\$0.8935
Refund Factor for Demand Portion of Texas Gas Refund (see Exhibit D)	0.0000
Performance Based Rate Recovery Component (see Exhibit E)	<u>0.0294</u>
Pipeline Supplier's Demand Component per Mcf - Applicable to Rate TS Transportation	<u>0.9229</u>

Demand-Related Supply Costs Applicable to Daily Utilization Charge under
Rates FT and PS and for Reserved Balancing Service Under Rider RBS

Design Day Requirements (in Mcf)	442,031
<u>Reserved Balancing Service Charge (per Mcf Reserved):</u>	
Annual Charge -> (Annual Demand Costs / Design Day Requirements)	\$79.90
Monthly Charge -> (Annual Charge / 12 Months)	<u>\$6.66</u>
<u>Daily Utilization Charge (per Mcf of Non-Reserved Balancing):</u>	
(Annual Reserved Balancing Charge / 365 Days) - 100% Load Factor Rate	<u>\$0.2189</u>

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2004-00XXX

Gas Supply Cost Effective November 1, 2004

LG&E is served by Texas Gas Transmission, LLC ("TGT") pursuant to the terms of the transportation agreements under Rates NNS-4 and FT-4, and by Tennessee Gas Pipeline Company ("TGPL") pursuant to the terms of a transportation agreement under Rate FT-A-2.

On August 27, 2004, TGT filed its tariff sheets at the Federal Energy Regulatory Commission ("FERC") in Docket No. RP04-512 to reflect a new ACA Unit Charge as determined by FERC and recoverable by TGT pursuant to the General Terms and Conditions of its FERC Gas Tariff. TGT will place into effect a new ACA funding unit of \$0.0019/MMBtu (reduced from \$0.0021) effective October 1, 2004.

This change in the ACA Unit Charge follows a filing by TGT at FERC in Docket No. RP04-354 to delete the Gas Research Institute ("GRI") Funding Unit. This GRI filing was made in accordance with FERC Order dated April 29, 1998 in FERC Docket RP97-149-003. In RP97-149-003, the FERC ruled that all funding be voluntary by the end of 2004. TGT has removed the GRI Funding Unit from all of its tariff sheets effective August 1, 2004, because the GRI has indicated that the amounts authorized by the FERC will have been fully collected by that date. That filing is effective as of August 1, 2004.

Texas Gas's No-Notice Service (NNS-4)

Attached hereto as Exhibit A-1 (a), Page 1, is the tariff sheet for No-Notice Service under Rate NNS-4 applicable during November 1, 2004 through January 31, 2005. LG&E has negotiated discounts with the result that the daily demand charge applicable to LG&E is \$0.4138 per MMBtu. Therefore, the monthly demand charge is \$12.5864 per MMBtu ($\$0.4138 \text{ daily demand rate per MMBtu} \times 365 / 12$). The negotiated discounts result in a volumetric throughput charge ("commodity charge") of \$0.0588 per MMBtu.

Texas Gas's Firm Transportation Service (FT-4)

Attached hereto as Exhibit A-1 (a), Pages 2 and 3, are the tariff sheets for transportation service under Rate FT-4 applicable during the period November 1, 2004 through January 31, 2005. Page 2 contains the tariff sheet which sets forth the daily demand charges. Page 3 contains the tariff sheet which sets forth the commodity charges. When adjusted for LG&E's negotiated discount, the monthly demand charge under Rate FT from Zone SL to Zone 4 applicable to LG&E is \$6.0813 per MMBtu. This charge is inclusive of all applicable surcharges. The volumetric throughput charge ("commodity charge") under Rate FT from Zone SL to Zone 4 is estimated to be \$0.0350 per MMBtu, inclusive of all applicable surcharges.

Texas Gas's Firm Transportation Service (STF-4)

Attached hereto as Exhibit A-1 (a), Page 4, is the tariff sheet for transportation service under Rate STF applicable during the period November 1, 2004 through January 31, 2005. When adjusted for LG&E's negotiated discount, the monthly demand charge under Rate STF from Zone SL to Zone 4 applicable to LG&E is \$12.7750 per MMBtu. This charge is inclusive of all applicable surcharges. The volumetric throughput charge ("commodity charge") under Rate STF from Zone SL to Zone 4 is estimated to be \$0.0536 per MMBtu, inclusive of all applicable surcharges.

Tennessee Gas Pipeline Firm Transportation Service (FT-A-2)

On August 31, 2004, TGPL filed tariff sheets at the FERC in Docket No. RP04-549 to reflect a new ACA Unit Charge as determined by FERC and recoverable by TGPL pursuant to the General Terms and conditions of its FERC Gas Tariff. TGPL will place into effect a new ACA funding unit of \$0.0019/MMBtu (reduced from \$0.0021) effective October 1, 2004.

This change in the ACA Unit Charge follows a filing by TGPL at FERC in Docket No. RP04-355 to delete the Gas Research Institute ("GRI") Funding Unit. This GRI filing was made in accordance with FERC Order dated April 29, 1998 in FERC Docket RP97-149-003. In RP97-149-003, the FERC ruled that all funding be voluntary by the end of 2004. TGPL has removed the GRI Funding Unit from all of its tariff sheets effective August 1, 2004, because the GRI has indicated that the amounts authorized by the FERC will have been fully collected by that date. That filing is effective as of August 1, 2004.

Attached hereto as Exhibit A-1 (a), Pages 5 and 6, are the tariff sheets for transportation service under Rate FT-4 applicable during the period November 1, 2004 through January 31, 2005. Page 5 contains the tariff sheet which sets forth the daily demand charges. Page 6 contains the tariff sheet which sets forth the commodity charges.

LG&E's new firm transportation agreement under Rate FT-A with TGPL is for a volume of 51,000 MMBtu per day, under Rate FT-A. Effective November 1, 2002, LG&E entered into a "Pre-Arranged Negotiated Rate Firm Transportation Letter Agreement" dated July 8, 2002, wherein TGPL provided LG&E with a rate discounted from its Rate FT-A-2. Under that Agreement, LG&E is charged the following rates by component: (1) a monthly demand charge of \$0.2125/MMBtu $[(\$6.4640 \times 365) / 12]$ for deliveries from Zones 0 and 1 to Zone 2, irrespective of the zone of receipt; and (2) a commodity rate of \$0.0175/MMBtu for deliveries from Zones 0 and 1 to Zone 2, irrespective of the zone of receipt.

Gas Supply Costs

The New York Mercantile Exchange ("NYMEX") natural gas futures prices as of September 28, 2004, are \$6.351/MMBtu for November, \$7.021/MMBtu for December, and \$7.401/MMBtu for January. The NYMEX price can be used as a general price indicator. Therefore, LG&E has forecasted prices for gas supplies for November, December, and January, as further described below. Storage inventory levels, among other factors, affect the demand for natural gas and hence its price. The Energy Information Administration's storage survey for the week ending September 17, 2004, indicated that storage inventory levels were higher than last year's levels. Storage inventories across the nation were 223 Bcf (2,942 Bcf – 2,719 Bcf) higher this year than the same period one year ago. Last year at this time, 2719 Bcf was held in storage, while this year 2,942 Bcf is held in storage. More significantly, storage inventories across the nation were 188 Bcf (2,942 Bcf – 2,754 Bcf) higher this year than the five-year average. On average for the last five years at this time, 2,754 Bcf was held in storage. Higher storage inventory levels and the lack of demand for natural gas tend to drive natural gas prices lower. Conversely, lower storage levels, interruptions of gas supply, or increases in demand for natural gas (arising from colder weather and increased heating requirements, or warmer weather and increased electric generation requirements) tend to cause increases in the expected price of natural gas.

During the three-month period under review, November 1, 2004 through January 31, 2005, LG&E estimates that its total purchases will be 13,423,715 MMBtu. LG&E expects that 5,790,833 MMBtu will be met with deliveries from TGT's pipeline service under Rate NNS (3,782,795 MMBtu in pipeline deliveries, less a net 2,008,038 MMBtu in storage injections); 2,940,882 MMBtu will be met from deliveries under TGT's pipeline service under Rate FT; 3,680,000 MMBtu will be met from deliveries under TGPL's pipeline service under Rate FT-A from Zone 0; and 1,012,000 MMBtu will be met from deliveries under TGPL's pipeline service under Rate FT-A from Zone 1.

The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the NNS service is expected to be \$6.35 per MMBtu in November 2004, \$7.05 in December 2004, and \$7.40 in January 2005. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGT under the FT service is expected to be \$6.35 per MMBtu in November 2004, \$7.05 in December 2004, and \$7.40 in January 2005. The average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGPL under Rate FT-A from its Zone 0 is expected to be \$6.35 per MMBtu in November 2004, \$7.05 in December 2004, and \$7.40 in January 2005, and the average commodity cost of gas purchased from gas suppliers by LG&E and delivered to TGPL from its Zone 1 is expected to be \$6.35 per MMBtu in November 2004, \$7.05 in December 2004, and \$7.40 in January 2005.

Set forth below are the commodity costs as delivered to LG&E after giving effect to TGT's and TGPL's commodity charges for transporting the gas under Rate NNS and Rate FT, their retention percentages, and the applicable surcharges approved by the FERC:

RATE NNS
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S NO-NOTICE SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RATE NNS RETENTION (TO ZONE 4)</u>	<u>TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
November 2004	\$6.3500	3.02%	\$0.0588	\$6.5859
December	\$7.0500	3.02%	\$0.0588	\$7.3077
January 2005	\$7.4000	3.02%	\$0.0588	\$7.6686

RATE FT
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TEXAS GAS'S FIRM TRANSPORTATION SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TEXAS GAS</u>	<u>RETENTION (ZONE SL TO 4)</u>	<u>RATE FT TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
November 2004	\$6.3500	2.90%	\$0.0350	\$6.5541
December 2004	\$7.0500	2.90%	\$0.0350	\$7.2750
January 2005	\$7.4000	2.90%	\$0.0350	\$7.6354

RATE FT-A
SYSTEM SUPPLY PURCHASE PRICE PER MMBTU
UNDER TENN. GAS'S FIRM TRANSPORTATION SERVICE RATE

	<u>ESTIMATED PRICE AS DELIVERED TO TENN. GAS</u>	<u>RETENTION (TO ZONE 2)</u>	<u>RATE FT-A TRANSPORT CHARGE</u>	<u>TOTAL ESTIMATED DELIVERED PRICE</u>
Zone 0				
November 2004	\$6.3500	5.16%	\$0.0175	\$6.5021
December 2004	\$7.0500	5.16%	\$0.0175	\$7.2402
January 2005	\$7.4000	5.16%	\$0.0175	\$7.6092

Zone 1

November 2004	\$6.3500	4.28%	\$0.0175	\$6.5574
December 2004	\$7.0500	4.28%	\$0.0175	\$7.2887
January 2005	\$7.4000	4.28%	\$0.0175	\$7.6544

The annual demand billings covering the 12 months from November 2004 through October 2005 for the long-term firm contracts with suppliers are currently expected to be \$9,667,740.

Rate FT, Rider RBS, and Rate PS

The demand-related supply costs applicable to the Daily Utilization Charge under Rate FT, the Reserved Balancing Service under Rider RBS, and any daily utilization charges under Rate PS applicable during the three-month period November 2004 through January 2005 are set forth on Exhibit A, Page 2.

Any revenue collected from the application of these charges will flow directly into the Gas Supply Cost Actual Adjustment ("GCAA") in future Gas Supply Clause filings. Therefore, the revenue collected through application of these charges will reduce the total Gas Supply Cost Component ("GSCC") charged to LG&E's sales customers.

Currently Effective Maximum Transportation Rates (\$ per MMBtu) For Service Under Rate Schedule NNS

	Base Tariff Rates (1)	Sec. 33.3 Surcharge (2)	FERC ACA (3)	Currently Effective Rates (4)
Zone SL				
Daily Demand	0.1037			0.1037
Commodity	0.0118		0.0019	0.0137
Overrun	0.1155	0.0175	0.0019	0.1349
Zone 1				
Daily Demand	0.2804			0.2804
Commodity	0.0339		0.0019	0.0358
Overrun	0.3143	0.0175	0.0019	0.3337
Zone 2				
Daily Demand	0.3122			0.3122
Commodity	0.0392		0.0019	0.0411
Overrun	0.3514	0.0175	0.0019	0.3708
Zone 3				
Daily Demand	0.3510			0.3510
Commodity	0.0493		0.0019	0.0512
Overrun	0.4003	0.0175	0.0019	0.4197
Zone 4				
Daily Demand	0.4138			0.4138
Commodity	0.0569		0.0019	0.0588
Overrun	0.4707	0.0175	0.0019	0.4901
Minimum Rate: Demand \$-0-; Commodity - Zone SL				0.0060
Zone 1				0.0169
Zone 2				0.0192
Zone 3				0.0207
Zone 4				0.0244

Note: The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 25 of the General Terms and Conditions.

Currently Effective Maximum Daily Demand Rates (\$ per MMBtu) For Service Under Rate Schedule FT

	Currently Effective Rates (1)
SL-SL	0.0751
SL-1	0.1674
SL-2	0.2057
SL-3	0.2471
SL-4	0.2994
1-1	0.1368
1-2	0.1751
1-3	0.2161
1-4	0.2688
2-2	0.1172
2-3	0.1593
2-4	0.2125
3-3	0.1222
3-4	0.1757
4-4	0.1290

Minimum Rates: Demand \$-0-

Backhaul rates equal fronthaul rates to zone of delivery.

Note: The maximum reservation charge component of the maximum firm volumetric capacity release rate shall be the applicable maximum daily demand rate herein pursuant to Section 25 of the General Terms and Conditions.

Currently Effective Maximum Commodity Rates (\$ per MMBtu) For Service Under Rate Schedule FT

	Base Tariff Rates (1)	FERC ACA Rates (2)	Currently Effective Rates (3)
SL-SL	0.0089	0.0019	0.0108
SL-1	0.0267	0.0019	0.0286
SL-2	0.0354	0.0019	0.0373
SL-3	0.0458	0.0019	0.0477
SL-4	0.0517	0.0019	0.0536
1-1	0.0222	0.0019	0.0241
1-2	0.0326	0.0019	0.0345
1-3	0.0417	0.0019	0.0436
1-4	0.0468	0.0019	0.0487
2-2	0.0177	0.0019	0.0196
2-3	0.0278	0.0019	0.0297
2-4	0.0329	0.0019	0.0348
3-3	0.0174	0.0019	0.0193
3-4	0.0225	0.0019	0.0244
4-4	0.0126	0.0019	0.0145

Minimum Rates: Commodity minimum base rates are presented on Sheet 31.

Backhaul rates equal fronthaul rates to zone of delivery.

Texas Gas Transmission, LLC
FERC Gas Tariff
Second Revised Volume No. 1

Second Revised Sheet No. 28
Superseding
First Revised Sheet No. 28

Currently Effective Maximum Transportation Rates (\$ per MMBtu)
for Service under Rate Schedule STF and STFX

	Peak (Winter)-Demand	Off-Peak (Summer)-Demand
	Currently Effective Rates	Currently Effective Rates
SL-SL	0.1122	0.0489
SL-1	0.2503	0.1089
SL-2	0.3076	0.1338
SL-3	0.3695	0.1607
SL-4	0.4478	0.1947
1-1	0.2045	0.0890
1-2	0.2618	0.1139
1-3	0.3232	0.1405
1-4	0.4020	0.1748
2-2	0.1751	0.0763
2-3	0.2382	0.1036
2-4	0.3178	0.1382
3-3	0.1827	0.0795
3-4	0.2627	0.1143
4-4	0.1929	0.0839

Note: The STF commodity rate is the applicable FT commodity rate on Sheet No. 25.
The STF overrun rate equals the daily demand rate plus applicable FT commodity rate.

Minimum rate: Demand \$-0- The minimum commodity rate is presented on Sheet 31.

STF Premium for Term Differentiation within Season

[A] Peak (Winter) Season:		[B] Off-Peak (Summer) Season:	
Contract Term	Allowable Contract Premium(1)	Contract Term	Allowable Contract Premium(2)
Up to 1 month	up to 25 cents	Up to 1 month	up to 25 cents
Greater than 1 month, up to 150 days	up to 10 cents	Greater than 1 month, up to 213 days	up to 10 cents

(1) Above Currently Effective Winter Demand Rate

(2) Above Currently Effective Summer Demand Rate

Issued by: James R. Hendrix, Vice President, Rates
Issued on: June 30, 2004

Effective on: August 1, 2004

TENNESSEE GAS PIPELINE COMPANY
FERC Gas Tariff
FIFTH REVISED VOLUME NO. 1

Twenty-Fourth Revised Sheet No. 23
Superseding
Twenty-Third Revised Sheet No. 23

RATES PER DEKATHERM

FIRM TRANSPORTATION RATES
RATE SCHEDULE FOR FT-A

Base Reservation Rates

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$3.10		\$6.45	\$9.06	\$10.53	\$12.22	\$14.09	\$16.59
L		\$2.71						
1	\$6.66		\$4.92	\$7.62	\$9.08	\$10.77	\$12.64	\$15.15
2	\$9.06		\$7.62	\$2.86	\$4.32	\$6.32	\$7.89	\$10.39
3	\$10.53		\$9.08	\$4.32	\$2.05	\$6.08	\$7.64	\$10.14
4	\$12.53		\$11.08	\$6.32	\$6.08	\$2.71	\$3.38	\$5.89
5	\$14.09		\$12.64	\$7.89	\$7.64	\$3.38	\$2.85	\$4.93
6	\$16.59		\$15.15	\$10.39	\$10.14	\$5.89	\$4.93	\$3.16

Surcharges

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
L		\$0.00						
1	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Maximum Reservation Rates 2/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$3.10		\$6.45	\$9.06	\$10.53	\$12.22	\$14.09	\$16.59
L		\$2.71						
1	\$6.66		\$4.92	\$7.62	\$9.08	\$10.77	\$12.64	\$15.15
2	\$9.06		\$7.62	\$2.86	\$4.32	\$6.32	\$7.89	\$10.39
3	\$10.53		\$9.08	\$4.32	\$2.05	\$6.08	\$7.64	\$10.14
4	\$12.53		\$11.08	\$6.32	\$6.08	\$2.71	\$3.38	\$5.89
5	\$14.09		\$12.64	\$7.89	\$7.64	\$3.38	\$2.85	\$4.93
6	\$16.59		\$15.15	\$10.39	\$10.14	\$5.89	\$4.93	\$3.16

Minimum Base Reservation Rates The minimum FT-A Reservation Rate is \$0.00 per Dth

Notes:

- 1/ PCB adjustment surcharge originally effective for PCB Adjustment Period of July 1, 1995 - June 30, 2000, was revised and the PCB Adjustment Period has been extended until June 30, 2006 as required by the Stipulation and Agreement filed on May 15, 1995 and approved by Commission Orders issued November 29, 1995 and February 20, 1996.
- 2/ Maximum rates are inclusive of base rates and above surcharges.

Issued by: Byron S. Wright, Vice President
 Issued on: June 30, 2004
 Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. RP97-149, et al., issued April 29, 1998, 83 FERC ¶ 61,093
 Effective on: August 1, 2004

TENNESSEE GAS PIPELINE COMPANY
FERC Gas Tariff
FIFTH REVISED VOLUME NO. 1

Sixteenth Revised Sheet No. 23A
Superseding
Fifteenth Revised Sheet No. 23A

RATES PER DEKATHERM

COMMODITY RATES
RATE SCHEDULE FOR FT-A

Base Commodity Rates

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0439		\$0.0669	\$0.0880	\$0.0978	\$0.1118	\$0.1231	\$0.1608
L		\$0.0286						
1	\$0.0669		\$0.0572	\$0.0776	\$0.0874	\$0.1014	\$0.1126	\$0.1503
2	\$0.0880		\$0.0776	\$0.0433	\$0.0530	\$0.0681	\$0.0783	\$0.1159
3	\$0.0978		\$0.0874	\$0.0530	\$0.0366	\$0.0663	\$0.0765	\$0.1142
4	\$0.1129		\$0.1025	\$0.0681	\$0.0663	\$0.0401	\$0.0459	\$0.0834
5	\$0.1231		\$0.1126	\$0.0783	\$0.0765	\$0.0459	\$0.0427	\$0.0765
6	\$0.1608		\$0.1503	\$0.1159	\$0.1142	\$0.0834	\$0.0765	\$0.0642

Minimum Commodity Rates 2/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0026		\$0.0096	\$0.0161	\$0.0191	\$0.0233	\$0.0268	\$0.0326
L		\$0.0034						
1	\$0.0096		\$0.0067	\$0.0129	\$0.0159	\$0.0202	\$0.0236	\$0.0294
2	\$0.0161		\$0.0129	\$0.0024	\$0.0054	\$0.0100	\$0.0131	\$0.0189
3	\$0.0191		\$0.0159	\$0.0054	\$0.0004	\$0.0095	\$0.0126	\$0.0184
4	\$0.0237		\$0.0205	\$0.0100	\$0.0095	\$0.0015	\$0.0032	\$0.0090
5	\$0.0268		\$0.0236	\$0.0131	\$0.0126	\$0.0032	\$0.0022	\$0.0069
6	\$0.0326		\$0.0294	\$0.0189	\$0.0184	\$0.0090	\$0.0069	\$0.0031

Maximum Commodity Rates 1/, 2/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0458		\$0.0688	\$0.0899	\$0.0997	\$0.1137	\$0.1250	\$0.1627
L		\$0.0305						
1	\$0.0688		\$0.0591	\$0.0795	\$0.0893	\$0.1033	\$0.1145	\$0.1522
2	\$0.0899		\$0.0795	\$0.0452	\$0.0549	\$0.0700	\$0.0802	\$0.1178
3	\$0.0997		\$0.0893	\$0.0549	\$0.0385	\$0.0682	\$0.0784	\$0.1161
4	\$0.1148		\$0.1044	\$0.0700	\$0.0682	\$0.0420	\$0.0478	\$0.0853
5	\$0.1250		\$0.1145	\$0.0802	\$0.0784	\$0.0478	\$0.0446	\$0.0784
6	\$0.1627		\$0.1522	\$0.1178	\$0.1161	\$0.0853	\$0.0784	\$0.0661

Notes:

- 1/ The above maximum rates include a per Dth charge for: (ACA) Annual Charge Adjustment \$0.0019
- 2/ The applicable fuel retention percentages are listed on Sheet No. 29, provided that for service rendered solely by displacement, shipper shall render only the quantity of gas associated with losses of .5%.

LOUISVILLE GAS AND ELECTRIC COMPANY**Gas Supply Clause: 2004-00XXX****Calculation of Gas Cost Actual Adjustment (GCAA)**

The purpose of this adjustment is to compensate for over- or under-recoveries which result from differences between various quarters' revenues collected to recover expected gas costs and the actual gas costs incurred during each such quarter. As shown on Page 1 of Exhibit B-1, the amount of under-recovery from Case Number 2004-00117 during the three-month period of May 2004 through July 2004 was \$2,822,415. The calculation of the Gas Cost Actual Adjustment (GCAA) set forth in Exhibit B-1 results in a charge of 0.777¢ per 100 cubic feet, which LG&E will place in effect with service rendered on and after November 1, 2004, and continue for 12 months. Also enclosed, on pages 5 and 6 of Exhibit B-1, is a breakdown of gas purchases for the three-month period from May 2004 through July 2004. [Please note that the names of the suppliers have been redacted from this page, in accordance with LG&E's petition for confidentiality filed this quarter.]

Also in this filing, LG&E will be eliminating the GCAA from Case 2003-00121, with service rendered through October 31, 2004, which will have been in effect for twelve months. Any over or under recovery of the amount originally established in this GCAA will be transferred to the Gas Cost Balance Adjustment (GCBA) which will be implemented in LG&E's next Gas Supply Clause filing with service rendered on and after the month of February 2005.

Therefore, the Gas Cost Actual Adjustment will be as follows:

Current Quarter Actual Adjustment:	
Effective November 1, 2004 from 2004-00117	0.777 cents/Ccf
Previous Quarter Actual Adjustment	
Effective August 1, 2004 from 2003-00506	(0.530) cents/Ccf
2nd Previous Quarter Actual Adjustment:	
Effective May 1, 2004 from 2003-00385	1.785 cents/Ccf
3rd Previous Quarter Actual Adjustment	
Effective February 1, 2004 from 2003-00260	(1.315) cents/Ccf
Total Gas Cost Actual Adjustment (GCAA)	0.717 cents/Ccf

LOUISVILLE GAS AND ELECTRIC COMPANY

Calculation of Gas Cost Actual Adjustment
Which Compensates for Over- or Under-
Recoveries of Gas Supply Costs

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Cost Recovery Under GSC Compared to Actual Gas Supply Costs			Expected Mcf Sales for 12- Month Period From Date Implemented	GCAA Per Mcf	GCAA Per 100 Cu. Ft.	Derivation of Gas Cost Actual Adjustment (GCAA) Which Compensates for Over or Under Recoveries
	Total Dollars of Gas Cost Recovered ¹	Gas Supply Cost Per Books ²	Over Or (Under) Recovery (1) - (2)				
Feb - Apr 1999 Case # 90-158 GG	36,283,806	41,131,284	(4,847,478)	39,617,019	\$0.1224	\$0.01224	8/1/1999
May - Jul 1999 Case # 90-158 HH	10,084,748	11,234,255	(1,149,507)	39,790,038	\$0.0289	\$0.00289	11/1/1999
Aug - Oct 1999 Case # 90-158 II	14,670,138	14,876,938	(206,800)	40,315,574	\$0.0051	\$0.00051	2/1/2000
Nov - Jan 2000 Case # 90-158 JJ	61,376,761	59,434,246	1,942,515	40,445,558	(\$0.0480)	(\$0.00480)	5/1/2000
Feb - April 2000 Case # 90-158 KK	47,258,205	51,202,070	(3,943,865)	40,600,194	\$0.0971	\$0.00971	8/1/2000
May - July 2000 Case # 90-158 LL	14,233,712	18,761,623	(4,527,911)	39,895,493	\$0.1135	\$0.01135	11/1/2000
Aug - Oct 2000 Case # 90-158 MM	24,864,694	24,945,636	(80,942)	40,185,038	\$0.0020	\$0.00020	2/1/2001
Nov 2000 - Jan 2001 Case # 2000-080-A	128,334,845	166,746,237	(38,411,392)	40,502,982	\$0.9484	\$0.09484	5/1/2001
Feb 2001 - Apr 2001 Case # 2000-080-B	84,744,480	72,203,459	12,541,021	40,583,967	(\$0.3090)	(\$0.03090)	8/1/2001
May 2001 - Jul 2001 Case # 2000-080-D	17,784,983	15,885,438	1,899,545	40,602,547	(\$0.0468)	(\$0.00468)	11/1/2001
Aug 2001 - Oct 2001 Case # 2000-080-G	18,398,144	14,357,692	4,040,452	37,352,279	(\$0.1082)	(\$0.01082)	2/01/2002
Nov 2001 - Jan 2002 Case # 2000-080-H	56,558,240	58,396,260	(1,838,020)	37,610,431	\$0.0489	\$0.00489	5/01/2002
Feb 2002 - Apr 2002 Case # 2000-080-I	56,940,651	60,982,147	(12,230,238) ³	37,752,063	\$0.3240	\$0.03240	8/1/2002
May 2002 - July 2002 Case # 2002-00110	13,438,971	15,122,528	(1,683,557)	36,753,737	\$0.0458	\$0.00458	11/1/2002
Aug 2002 - Oct 2002 Case # 2002-00261	15,907,785	17,086,539	(1,178,754)	36,801,563	\$0.0320	\$0.00320	2/1/2003
Nov 2002 - Jan 2003 Case # 2002-00368	97,958,248	107,648,978	(9,690,730)	36,918,853	\$0.2625	\$0.02625	5/1/2003
Feb 2003-Apr 2003 Case # 2003-00004	68,860,317	89,433,601	(20,573,284)	36,900,588	\$0.5575	\$0.05575	8/1/2003
May 2003-Jul 2003 Case # 2003-000121	18,971,902	18,559,852	412,050	36,348,575	(\$0.0113)	(\$0.00113)	11/1/2003
Aug 2003 - Oct 2003 Case # 2003-00260	25,560,264	20,773,050	4,787,214	36,405,180	(\$0.1315)	(\$0.01315)	2/1/2004
Nov 2003 - Jan 2004 Case # 2003-00385	110,568,160	117,066,050	(6,497,890)	36,398,609	\$0.1785	\$0.01785	5/1/2004
Feb 2004 - Apr 2004 Case # 2003-00506	83,438,486	81,507,939	1,930,547	36,434,958	(\$0.0650)	(\$0.00530)	8/1/2004
May 2004 - Jul 2004 Case # 2004-00117	19,042,943	21,865,358	(2,822,415)	36,321,555	\$0.0777	\$0.00777	11/1/2004

¹ See Page 2 of this Exhibit.

² See Page 4 of this Exhibit.

³ This amount includes \$8,188,742 transferred from the Gas Supply Balance Adjustment (Exhibit C-1, Page 1 of 2, column 3).

LOUISVILLE GAS AND ELECTRIC COMPANY
 Calculation of Gas Costs Recovered
 Under Company's Gas Supply Clause

	Monthly Mcf Sales ¹	Feb 1, 2003 Through Apr 30, 2003	May 1, 2003 Through July 31, 2003	Aug 1, 2003 Through Oct 31, 2003	Nov 1, 2003 Through Jan 31, 2004	Feb 1, 2004 Through Apr 30, 2004	May 1, 2004 through Jul 31, 2004
1	2003						
2	FEB	7,805,666					
3	MAR	5,679,970					
4	APR	2,529,326	5,871				
5	MAY	1,479,795	807,024				
6	JUNE	839,032	1,001,262				
7	JULY	813,398	813,388				
8	AUG	776,397	334,307	442,089			
9	SEP	838,187		838,187			
10	OCT	1,205,172		1,205,172			
11	NOV	2,087,577		954,592	1,132,986		
12	DEC	4,861,196			4,861,196		
13	JAN	6,693,093			6,693,093		
14	FEB	7,344,817			3,327,102	4,017,715	
15	MAR	4,514,128				4,514,128	738,359
16	APR	2,866,544				2,866,544	891,921
17	MAY	1,379,481				641,122	793,150
18	JUNE	891,921					344,017
19	JULY	793,150					
20	AUG	793,351					
20	Applicable Mcf Sales During 3 Month Period	12,976,494	2,961,852	3,440,040	16,014,377	12,039,509	2,767,447
21	Gas Supply Clause No.	2003-00004	2003-00121	2003-00260	2003-00385	2003-00506	2004-00117
22	Gas Supply Cost Recovered Per Mcf Sold	\$4,9304	\$6,2395	\$7,1172	\$6,3665	\$6,5281	\$ 6,7718
23	Dollars of Recovery Under GSC	\$63,979,306	\$18,480,476	\$24,483,453	\$101,955,528	\$78,595,119	18,740,595
24	Mcf of Customer-Owned Gas Transported Under Rate TS	55,814	23,544	20,420	16,050	14,894	6,416
25	Pipeline Suppliers' Demand Component Per Mcf	0.7467	0.6348	0.6423	1.0865	0.8613	0.7071
26	Dollars of Recovery Under Rate TS (Line 24 x Line 25)	\$41,676	\$14,946	\$13,116	\$17,438	\$12,828	4,537
27	Dollars of Recovery Under Rate FT (See Ex B-1, Page 3)	\$299,388	\$476,481	\$334,043	\$546,967	\$296,164	\$297,812
28	Revenues from Off-system Sales	\$4,539,949	\$0	\$729,651	\$8,048,227	\$4,534,375	\$0
29	Total \$'s of Gas Cost Recovered (Line 23 + Line 26 + Line 27 + Line 28)	\$68,860,319	\$18,971,902	\$25,560,264	\$110,568,160	\$83,438,486	\$19,042,943

1. Monthly Mcf Sales include volumes for Natural Gas Vehicles (NGVs).
 2. Due to PSC Order in Administrative Case No. 384 requiring monthly GSC filings

LOUISVILLE GAS AND ELECTRIC COMPANY
Summary of Gas Costs Recovered
Under Provisions of Rate FT

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
Billing Month	Case Number	UCDI Demand Chrg / Mcf	Seasonal RBS Demand Chrg / Mcf	RBS Demand Chrg / Mcf	Cash-Out Sales (Mcf)	Cash-Out Sales (\$)	MMBTU Adjust. (Mcf)	MMBTU Adjust. (\$)	UCDI Mcf	UCDI \$ [(3)x(10)]	Seasonal RBS Mcf [(4)x(12)]	Seasonal RBS \$ [(4)x(12)]	RBS Mcf	RBS \$ [(5)x(14)]	OFO \$	Monthly \$'s Recovered [(7)+(9)+(11) + (13)+(15)+(16)]
2002 May	2002-00110	0.1826	0	\$5.56	4,915.6	\$19,161.75	-	\$0.00	58,415.5	\$17,676.53	0.0	\$0.00	0.00	\$0.00	\$0.00	\$36,838.28
2002 June	2002-00110	0.1826	0	\$5.56	2,123.1	\$9,213.33	-	\$0.00	28,585.5	\$8,952.57	0.0	\$0.00	0.00	\$0.00	\$0.00	\$18,165.90
2002 July	2002-00110	0.1826	0	\$5.56	22,620.5	\$74,768.08	8.0	\$25.42	519,216.8	\$15,710.01	0.0	\$0.00	0.00	\$0.00	\$0.00	\$90,503.51
	*Correction															\$470,317.87
																\$145,507.69
2002 Aug	2002-00251	0.1755	0	\$5.56	5,174.1	\$19,567.94	171.0	\$547.20	43,104.2	\$12,737.29	0.0	\$0.00	0.00	\$0.00	\$0.00	\$31,852.43
2002 Sep	2002-00251	0.1755	0	\$5.56	811.6	\$3,452.19	5.0	\$18.18	70,587.8	\$21,355.81	0.0	\$0.00	0.00	\$0.00	\$40,974.34	\$65,800.52
2002 Oct	2002-00251	0.1755	0	\$5.56	8,720.0	\$44,753.70	-	\$0.00	83,290.9	\$24,671.35	0.0	\$0.00	0.00	\$0.00	\$6,374.73	\$75,795.78
																\$173,452.73
2002 Nov	2002-00368	0.2186	0	\$6.65	14,576.0	\$75,393.45	15.0	\$65.58	67,502.4	\$23,521.19	0.0	\$0.00	0.00	\$0.00	\$0.00	\$98,980.22
2002 Dec	2002-00368	0.2186	0	\$6.65	10,030.5	\$58,631.06	-	\$0.00	89,131.6	\$31,607.12	0.0	\$0.00	0.00	\$0.00	\$0.00	\$90,238.18
2003 Jan	2002-00368	0.2186	0	\$6.65	9,830.6	\$69,160.18	2,137.0	\$12,770.72	87,949.7	\$29,445.20	0.0	\$0.00	0.00	\$0.00	\$6,486.82	\$117,862.92
																\$307,081.32
2003 Feb	2003-00004	0.1586	0	\$5.56	5,006.7	\$58,129.05	3,039.0	\$2,894.31	101,605.2	\$30,771.53	0.0	\$0.00	0.00	\$0.00	\$0.00	\$91,794.89
2003 Mar	2003-00004	0.1586	0	\$5.56	319.8	\$2,785.68	1,456.0	\$1,043.79	129,899.3	\$41,044.89	0.0	\$0.00	0.00	\$0.00	\$0.00	\$54,874.36
2003 Apr	2003-00004	0.1586	0	\$5.56	9,137.1	\$53,460.63	11,142.0	\$64,601.31	91,035.6	\$28,169.95	0.0	\$0.00	0.00	\$0.00	\$18,524.02	\$164,755.91
																\$311,425.16
2003 May	2003-00121	0.1586	0	\$4.82	27,943.4	\$197,850.08	5,499.0	\$33,692.38	64,545.4	\$17,680.29	0.0	\$0.00	0.00	\$0.00	\$0.00	\$249,422.75
2003 June	2003-00121	0.1586	0	\$4.82	8,161.2	\$52,951.37	10,197.0	\$62,854.32	50,951.7	\$16,024.26	0.0	\$0.00	0.00	\$0.00	\$0.00	\$131,823.95
2003 July	2003-00121	0.1586	0	\$4.82	4,166.7	\$23,307.59	9,937.0	\$52,844.98	67,137.0	\$19,075.48	0.0	\$0.00	0.00	\$0.00	\$0.00	\$95,228.05
																\$476,480.75
2003 Aug	2003-00260	0.1613	0	\$4.91	470.4	\$2,845.05	7,387.0	\$38,656.20	42,946.4	\$12,421.07	0.0	\$0.00	0.00	\$0.00	\$24,607.35	\$78,529.67
2003 Sep	2003-00260	0.1613	0	\$4.91	21,705.0	\$106,425.35	9,995.0	\$43,913.59	42,759.6	\$11,627.52	0.0	\$0.00	0.00	\$0.00	\$0.00	\$161,966.46
2003 Oct	2003-00260	0.1613	0	\$4.91	10,878.6	\$56,773.66	2,065.0	\$12,457.89	96,035.1	\$26,315.74	0.0	\$0.00	0.00	\$0.00	\$0.00	\$93,547.29
																\$334,043.42
2003 Nov	2003-00385	0.2607	0	\$7.93	4,499.0	\$22,681.05	1,697.0	\$8,133.72	116,950.7	\$42,930.83	0.0	\$0.00	0.00	\$0.00	\$0.00	\$73,745.60
2003 Dec	2003-00385	0.2607	0	\$7.93	28,901.9	\$186,556.10	7,779.0	\$4,956.00	132,944.6	\$42,675.21	0.0	\$0.00	0.00	\$0.00	\$0.00	\$234,187.31
2004 Jan	2003-00385	0.2607	0	\$7.93	7,978.7	\$58,370.67	7,192.0	\$48,092.91	92,860.1	\$35,656.34	0.0	\$0.00	0.00	\$0.00	\$96,714.24	\$239,034.16
																\$546,967.07
2004 Feb	2003-00506	0.2072	0	\$6.30	5,626.8	\$34,341.62	4,270.0	\$24,642.17	62,898.2	\$17,585.13	0.0	\$0.00	0.00	\$0.00	\$18,464.21	\$95,033.13
2004 Mar	2003-00506	0.2072	0	\$6.30	5705.6	\$36,547.71	6,265.0	\$35,589.70	112,940.4	\$36,954.10	0.0	\$0.00	0.00	\$0.00	\$0.00	\$109,091.51
2004 Apr	2003-00506	0.2072	0	\$6.30	8318.3	\$55,019.43	1,992.0	\$12,292.63	75,573.1	\$24,727.52	0.0	\$0.00	0.00	\$0.00	\$0.00	\$92,039.58
																\$296,164.22
2004 May	2004-00117	0.1701	0	\$5.17	5,779.3	\$41,012.37	836.0	\$5,606.21	57,931.7	\$9,854.18	0.0	\$0.00	0.00	\$0.00	\$0.00	\$66,472.76
2004 Jun	2004-00117	0.1701	0	\$5.17	13,146.0	\$89,424.43	3,300.0	\$21,780.00	48,361.6	\$8,226.31	0.0	\$0.00	0.00	\$0.00	\$0.00	\$119,430.74
2004 Jul	2004-00117	0.1701	0	\$5.17	15,422.8	\$103,606.08	1,824.0	\$11,671.36	38,980.7	\$6,630.62	0.0	\$0.00	0.00	\$0.00	\$0.00	\$121,908.06
																\$297,811.56

Note: Should a Customer served under Rate FT under-nominate its monthly gas supply needs, a Cash-Out Sale is made to the Customer.

This sale, which is based upon the cash-out price established in Rate FT, is also flowed through the GCAA as revenue.

Note: Changes in billings of the Cash-out Provision caused by variations in the MMBTU content of the gas are corrected on the following month's bill. Should such change occur as a charge to the customer, such revenue is flowed through the GCAA.

* Correction to FT Revenues is being made to correct unintentional underreporting of FT Revenues since November 2001.

LOUISVILLE GAS AND ELECTRIC COMPANY
Total Gas Supply Cost Per Books

	MCF				DOLLARS									
	Mcf Purchases	Purchases for OSS	Purchases for Depts. other Than Gas Dept.	Less: Purchases Injected Into Storage	Plus: Mcf Withdrawn From Storage	Plus Storage Losses	Mcf Sendout (Gas Dept)	Purchased Gas Costs	Purchased Gas Costs for OSS	Purchases for Non-Gas Departments	Less: Purchases Injected Into Storage	Plus: Cost of Gas Withdrawn From Storage	Plus Storage Losses	Plus: Other Gas Purchase Expenses	Total Gas Supply Cost
November	4,066,443		(85,631)	(145,212)	796,630		4,631,230	21,146,242	-	(442,379)	(760,434)	3,172,738	2,183	23,118,350
December	5,084,839	896,139	(89,966)	(258,028)	1,867,725		7,502,679	26,658,418	3,782,936	(336,296)	(1,342,278)	7,480,425	3,885	36,247,090
January	5,541,783	223,780	(136,772)	0	3,504,795		9,133,586	33,723,672	1,128,520	(611,614)	0	14,037,054	5,906	48,283,538
Total November 2002 thru January 2003							21,267,495							107,648,978
February	4,620,716	721,067	(101,980)	0	2,701,310		7,941,113	32,487,948	4,161,059	(502,055)	0	10,819,017	5,725	46,971,734
March	2,548,797	0	(68,404)	0	1,438,402		3,918,795	23,707,557	0	(405,272)	0	5,760,800	5,864	29,068,970
April	634,385	0	(58,166)	0	1,524,682		2,100,901	7,878,912	0	(598,432)	0	5,106,504	5,914	13,392,897
Total February 2003 thru April 2003							13,960,809							89,433,601
May	601,422	0	(149,525)	(319)	699,656		1,151,234	5,122,236	0	(1,139,925)	(2,819)	2,802,472	5,270	6,787,234
June	2,709,736	0	(64,964)	(1,669,684)	1,233		976,321	18,570,288	0	(381,641)	(11,439,673)	6,313	17,543	6,772,830
July	3,775,025	0	(140,183)	(2,781,316)	940		854,466	22,053,938	0	(808,869)	(16,257,626)	5,083	7,264	4,999,790
Total May thru July 2003							2,982,021							18,559,854
August	4,115,417	0	(151,356)	(3,101,260)	785		863,586	22,649,406	0	(848,796)	(17,065,690)	4,267	6,203	4,755,391
September	3,981,117	0	(88,121)	(2,897,273)	735		996,458	20,571,326	0	(458,101)	(14,966,443)	3,961	4,386	5,155,129
October	3,841,724	148,975	(55,230)	(1,912,962)	1,041		2,023,548	20,873,890	670,349	(299,899)	(10,384,079)	5,603	6,666	10,862,530
Total August thru October 2003							3,883,592							20,773,050
November	2,675,547	343,371	(42,522)	(396,872)	930,628		3,510,152	16,923,313	1,555,641	(269,129)	(2,510,285)	5,032,278	2,676	20,734,484
December	5,152,316	681,471	(93,088)	(150,507)	1,491,761		7,081,953	31,959,823	3,359,823	(434,545)	(933,595)	5,076,930	8,633	42,039,239
January	4,551,729	331,865	(73,736)	(46,964)	3,528,052		8,230,956	33,761,889	2,081,914	(341,684)	(348,351)	19,132,273	6,286	54,232,527
Total November 2003 thru January 2004							18,883,071							117,066,050
February	3,754,776	0	(74,088)	0	2,504,444		6,185,132	26,387,334	0	(276,751)	0	13,581,349	6,553	39,698,485
March	1,565,989	778,184	(73,829)	0	2,317,673		4,608,017	12,072,567	4,057,151	(319,545)	0	12,563,741	6,697	28,385,610
April	977,538	48,780	(239,108)	0	1,407,254		2,194,464	7,111,049	267,000	(1,591,512)	0	7,631,398	5,908	13,423,843
Total February thru April 2004							12,987,613							81,507,939
May	570,966	0	(108,345)	0	652,509		1,115,130	6,285,267	0	(1,137,911)	0	3,538,556	5,709	8,691,622
June	1,947,287	0	(85,412)	(1,007,863)	690		844,697	16,148,732	0	(656,098)	(8,365,087)	4,314	5,630	7,139,491
July	3,559,624	0	(66,985)	(2,665,412)	(198)		878,389	24,722,772	0	(452,623)	(16,314,579)	(1,291)	5,899	6,034,245
Total May thru July 2004							2,836,216							21,865,358

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM MAY 2004 THROUGH JULY 2004

DELIVERED BY TEXAS GAS TRANSMISSION, LLC
COMMODITY AND VOLUMETRIC CHARGES:

	MAY 2004		JUNE 2004		JULY 2004	
	NET MMBTU	MCF	NET MMBTU	MCF	NET MMBTU	MCF
1 NATURAL GAS SUPPLIERS:						
2 A	0	0	0	0	0	0
3 B	0	0	694,665	677,722	620,323	605,193
4 C	759,500	740,976	98,000	95,610	294,000	286,829
5 D	0	0	0	0	0	0
6 E	0	0	97,590	95,210	112,185	109,449
7 F	155,000	151,220	280,976	274,123	112,185	109,449
8 G	369,830	360,810	305,218	297,774	343,299	334,926
9 H	0	0	148,338	144,720	0	0
10 I	0	0	0	0	0	0
11 J	0	0	0	0	68,292	66,626
12 K	210,008	204,886	102,471	99,972	363,134	373,789
13 L	310,000	302,439	300,000	292,683	310,248	302,681
14 M	0	0	0	0	19,502	19,026
15 N	0	0	150,000	146,341	252,643	246,461
	1,804,338	1,760,331	2,177,258	2,124,155	2,403,626	2,345,000
		\$10,977,587.84		\$14,338,887.23		\$14,967,926.18
NO-NOTICE SERVICE ("NNS") STORAGE:						
1 WITHDRAWALS	0	0	0	0	41,134	40,131
2 INJECTIONS	(1,265,353)	(1,234,491)	(1,132,992)	(1,105,358)	(359,567)	(350,817)
3 ADJUSTMENTS	0	0	0	0	0	0
4 ADJUSTMENTS	(1,190)	(971)	429	5,449	(168)	2,388
5 ADJUSTMENTS	0	0	0	0	0	0
NET NNS STORAGE	(1,266,543)	(1,235,462)	(1,132,563)	(1,099,909)	(318,621)	(308,296)
		\$6,609,834.61		\$5,910,619.78		\$1,661,676.09
NATURAL GAS TRANSPORTERS:						
1 TEXAS GAS TRANSMISSION, LLC	0	0	0	0	0	0
2 ADJUSTMENTS	0	(598)	0	(7,393)	0	(4,987)
3 ADJUSTMENTS	537,795	524,271	1,044,695	1,016,653	2,085,005	2,031,715
TOTAL		\$30,764.00		\$52,837.70		\$99,155.14
		\$4,398,517.23		\$8,481,105.15		\$13,405,405.23
TOTAL COMMODITY AND VOLUMETRIC CHARGES						
DEMAND AND FIXED CHARGES:						
1 TEXAS GAS TRANSMISSION, LLC		\$1,096,567.21		\$961,123.48		\$1,013,146.28
2 ADJUSTMENTS		(\$382.32)		\$0.00		\$0.00
3 ADJUSTMENTS		\$0.00		\$0.00		\$0.00
4 SUPPLY RESERVATION CHARGES		\$214,189.15		\$207,289.50		\$214,189.15
5 CAPACITY RELEASE CREDITS		(\$15,500.00)		(\$12,000.00)		\$0.00
6 ADJUSTMENT		\$0.00		\$0.00		\$0.00
TOTAL DEMAND AND FIXED CHARGES		\$1,234,884.04		\$1,176,412.98		\$1,227,345.43
TOTAL PURCHASED GAS COSTS - TEXAS GAS TRANSMISSION, LLC		\$5,633,401.27		\$9,657,518.13		\$14,632,750.66

LOUISVILLE GAS AND ELECTRIC COMPANY
SUMMARY OF GAS PURCHASES AND COSTS BY SUPPLIER
FOR THE 3 MONTH PERIOD FROM MAY 2004 THROUGH JULY 2004

DELIVERED BY TENNESSEE GAS PIPELINE COMPANY
COMMODITY AND VOLUMETRIC CHARGES:

	MAY 2004		JUNE 2004		JULY 2004	
	NET MMBTU	MCF	NET MMBTU	MCF	NET MMBTU	MCF
NATURAL GAS SUPPLIERS:						
1 O	0	0	0	0	0	0
2 P	0	0	430,080	417,553	444,416	431,472
3 Q	0	0	286,710	278,359	296,267	287,638
4 R	0	0	0	0	650,969	632,009
5 S	0	0	225,238	218,678	189,348	183,833
	0	0	942,028	914,590	1,581,000	1,534,952
	\$0.00	\$0.00	\$16,485.50	\$16,485.50	\$27,667.50	\$27,667.50
1 TENNESSEE GAS PIPELINE COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2 TRANSPORTATION BY OTHERS	\$0.00	\$0.00	0	0	(881)	613
3 ADJUSTMENTS	\$0.00	\$0.00	0	0	0	0
4 ADJUSTMENTS	\$0.00	\$0.00	0	0	0	0
TOTAL	\$0.00	\$0.00	\$16,485.50	\$16,485.50	\$21,899.80	\$21,899.80
TOTAL COMMODITY AND VOLUMETRIC CHARGES	\$0.00	\$0.00	\$6,051,718.20	\$6,051,718.20	\$9,550,781.78	\$9,550,781.78

DEMAND AND FIXED CHARGES:

1 TENNESSEE GAS PIPELINE COMPANY	\$329,664.00
2 TRANSPORTATION BY OTHERS	\$0.00
3 SUPPLY RESERVATION CHARGES	\$0.00
4 CAPACITY RELEASE CREDITS	\$0.00
5 ADJUSTMENTS	\$0.00
TOTAL DEMAND AND FIXED CHARGES	\$329,664.00
TOTAL PURCHASED GAS COSTS -- TENNESSEE GAS PIPELINE COMPANY	\$6,381,382.20

OTHER PURCHASES

1 PURCHASED FOR ELECTRIC DEPARTMENT						
T	0	0	0	0	0	0
U	18,000	17,561	9,000	8,780	21,500	20,976
	0	0	0	0	10,000	9,756
ADJUSTMENTS	0	(93)	0	(66)	0	(31)
	18,000	17,468	9,000	8,714	31,500	30,701
2 CASH-OUT OF CUSTOMER OVER-DELIVERIES						
TOTAL	18,000	29,227	9,000	7,130	31,500	1,643
	\$0.00	\$126,450.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$126,450.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$185,752.11	\$0.00	\$47,011.82	\$0.00	\$9,555.45
	\$0.00	\$322,202.11	\$0.00	\$109,831.82	\$0.00	\$209,575.45
TOTAL PURCHASED GAS COSTS -- ALL PIPELINES	555,795	570,966	1,995,723	1,947,287	3,696,624	3,599,624
	\$6,285,267.38	\$16,148,732.15	\$27,667.50	\$27,667.50	\$9,550,781.78	\$9,550,781.78

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2004-00XXX

Calculation of Gas Cost Balance Adjustment (GCBA)

The purpose of this adjustment is to compensate for any over or under recoveries remaining from prior Gas Cost Actual Adjustments and Gas Cost Balance Adjustments. The under-recovery that must be collected under the Gas Cost Balance Adjustment (GCBA) during the period of November 1, 2004 through January 31, 2005, set forth on Page 1 of Exhibit C-1 is \$1,474,237. The GCBA factor required to collect this under-recovery is 0.905¢ per 100 cubic feet. LG&E will place this charge into effect with service rendered on and after November 1, 2004 and continue for three months.

In this filing, LG&E will also be eliminating the GCBA from Case 2004-00271, which, with service rendered through October 31, 2004 will have been in effect for three months. Any over- or under-recovery of the amount originally established will be transferred to the GCBA which will be implemented in LG&E's next Gas Supply Clause filing with service rendered on and after February 1, 2005.

LOUISVILLE GAS AND ELECTRIC COMPANY
 Calculation of Quarterly Gas Cost Balance Adjustment
 To Compensate for Over or (Under) Recoveries
 From the Gas Cost Actual Adjustment (GCAA) and
 Gas Cost Balance Adjustment (GCBA)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Implemented for Three-Month Period With Service Rendered On and After:	Remaining Over (Under) Recovery From GCAA ¹ (\$)	Amt. Transferred From Refund Factor & PBRRC (\$)	GCBA From Second Preceding 3 Mo. Period (\$)	Applicable Sales During 3 Mo. Period ² (mcf)	GCBA Factor From Second Preceding 3 Mo. Period (cents/mcf)	Recovery Under GCBA (\$)	Remaining Over (Under) Recovery (\$)	Deferred Amounts (\$)	Total Remaining Over (Under) Recovery (\$)	Expected Sales For 3 Mo. Period (mcf)	GCBA (cents/mcf)	GCBA (cents/ccf)
						(5) X (6)	(4) + (7)		(2 + 3 + 8 + 9)			
Feb 1, 2000 (Case No. 90-158-KK)	99,835		997,935	4,002,459	(24.21)	(968,995)	28,940		128,775	13,916,090	(0.93)	(0.093)
May 1, 2000 (Case No. 90-158-LL)	362,226	(617,311)	(348,046)	15,829,134	1.91	302,336	(45,710)		(300,794)	3,372,657	8.92	0.892
Aug 1, 2000 (Case No. 90-158 MM)	856,195	407,837 ⁴	128,775	11,499,775	(0.93)	(106,415)	22,360		1,286,392	4,242,472	(30.32)	(3.032)
Nov 1, 2000 (Case No. 2000-080-A)	(601,072)	0	(300,794)	3,303,970	8.92	294,668	(6,126)		(607,198)	18,565,717	3.27	0.327
Feb 1, 2001 (Case No. 2000-080-B)	(149,808)	0	1,286,392	3,901,253	(30.32)	(1,182,928)	103,464		(46,344)	13,763,414	0.34	0.034
May 1, 2001 (Case No. 2000-080-D)	(8,940)	(85,029) ⁵	(607,198)	20,091,139	3.27	657,087	49,889		(44,080)	3,450,684	1.28	0.128
Aug 1, 2001 (Case No. 2000-080-G)	80,430		(46,344)	9,271,406	0.34	31,219	(15,126)		65,304	4,314,643	(1.51)	(0.151)
Nov 1, 2001 (Case No. 2000-080-H)	(215,729)		(44,080)	2,905,333	1.28	37,113	(6,966)		(222,695)	18,683,795	1.19	0.119
Feb 1, 2002 (Case No. 2000-080-I)	(196,171)		65,304	3,650,012	(1.51)	(55,244)	10,061		(188,164)	13,597,583	1.38	0.138
May 1, 2002 (Case No. 2002-00110)	(15,777)		(222,695)	13,720,912	1.19	163,542	(59,153)		(74,930)	3,280,770	2.28	0.228
Aug 1, 2002 (Case No. 2002-00261)	(8,188,742)	8,188,742 ⁶	(188,164)	11,586,976	1.38	160,341	(27,823)		(27,823)	3,928,057	0.71	0.071
Nov 1, 2002 (Case No. 2002-00368)	2,636,575		(74,930)	3,095,321	2.28	70,695	(4,236)		2,632,339	17,781,076	(14.80)	(1.480)
Feb 1, 2003 (Case No. 2003-00004)	398,606		(27,823)	3,668,145	0.71	26,044	(1,779)		396,827	13,009,658	(3.05)	(0.305)
May 1, 2003 (Case No. 2003-00121)	97,787		2,632,339	18,255,311	(14.80)	(2,702,546)	(70,207)		27,580	3,519,058	(0.78)	(0.078)
Aug 1, 2003 (Case No. 2003-00260)	19,949		396,827	12,976,494	(3.05)	(395,783)	1,044		20,993	3,691,785	(0.57)	(0.057)
Nov 1, 2003 (Case No. 2003-00385)	35,085		27,580	2,961,852	(0.78)	(23,102)	4,478		39,563	17,166,186	(0.23)	(0.023)
Feb 1, 2004 (Case No. 2004-00506)	40,066	(970) ⁷	20,993	3,440,040	(0.57)	(19,608)	1,385		40,481	12,672,184	(0.32)	(0.032)
May 1, 2004 (Case No. 2004-00117)	(46,186)		39,563	16,014,377	(0.23)	(36,833)	2,730		(43,456)	2,869,986 ³	1.51	0.151
Aug 1, 2004 (Case No. 2004-00271)	(648,088)	(886,051) ⁸	40,481	12,039,509	(0.32)	(38,526)	1,955		(1,532,184)	3,663,708	41.82	4.182
Nov 1, 2004 (Case No. 2004-00XXX)	(1,472,569)		(43,456)	2,767,447	1.51	41,788	(1,668)		(1,474,237)	16,297,803	9.05	0.905

1 See Exhibit C-1, page 2.
 2 Corresponds with actual applicable sales shown on Exhibit B-1, page 2.
 3 Forecasted 3-month period including November 1, 2004 - January 31, 2005
 4 Previous value for Case No. 90-158 LL (\$ 617,311) was overstated. The actual value should have been (\$ 209,474). A resulting adjustment of \$407,837 is shown.
 5 Final reconciliation of the PBRRC established in Case No. 90-158-KK
 6 This amount transferred to Gas Supply Actual Adjustment (Exhibit B-1, page 1 of 6, column 3).
 7 This amount represents an over-refund by LG&E from Case No. 2002-00368 of a pipeline supplier refund.
 8 Reconciliation of the PBRRC from Case Nos. 2000-080-B, 2000-080-I, and 2002-00261.

LOUISVILLE GAS AND ELECTRIC COMPANY

	GCAA Case No. 2000-080-D November 1, 2001		GCAA Case No. 2000-080-G February 1, 2002		GCAA Case No. 2000-080-H May 1, 2002		GCAA Case No. 2000-080-I August 1, 2002		GCAA Case No. 2002-00110 November 1, 2002		GCAA Case No. 2002-00261 February 1, 2003		GCAA Case No. 2002-00368 May 1, 2003		GCAA Case No. 2003-00004 August 1, 2003	
	Total Monthly (1)	As Pro-Rated for Service Rendered During: Previous (2) Current (3) Following (4)	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under	Amount Billed Under
November	2,378,687	1,178,574	1,200,113	-56,165.27 (3)												
December	3,468,225	-9,941	3,478,165	-162,312.32 (1)												
January	6,568,912	6,568,912		-307,425.08 (1)												
February	5,134,404	2,483,662	2,647,742	-240,290.12 (1)	-268,732.23 (3)											
March	5,279,406	3,754	616,645	-247,076.21 (1)	-571,231.76 (1)	183.58 (2)										
April	3,043,937			-142,456.24 (1)	-329,353.95 (1)	38,549.18 (4)										
May	1,404,972			-65,752.67 (1)	-152,017.92 (1)	54,890.40 (1)										
June	1,122,503			-52,533.14 (1)	-121,454.82 (1)	40,336.53 (1)										
July	824,878			-38,604.29 (1)	-89,251.80 (1)	36,950.50 (1)										
August	755,634	355,860	399,774	-35,363.67 (1)	-81,759.60 (1)	39,833.84 (1)	129,526.78 (3)									
September	814,598			-38,123.19 (1)	-88,139.50 (1)	53,993.03 (1)	357,745.25 (1)									
October	1,104,152			-51,674.31 (1)	-119,469.25 (1)	293,337.95 (1)	937,247.44 (1)									
November	2,892,739	1,349,623	1,543,116	-63,162.36 (2)	-312,994.36 (1)	141,454.94 (1)	1,943,588.84 (1)									
December	5,996,731				-649,062.69 (1)	293,337.95 (1)	2,668,747.79 (1)									
January	7,002,308	3,711,157	4,094,509	-757,649.73 (1)	-401,547.15 (2)	381,697.07 (1)	2,529,035.78 (1)									
February	7,805,666					277,750.52 (1)	1,840,310.18 (1)									
March	5,679,970					123,971.13 (1)	821,403.83 (1)									
April	2,535,197	2,529,326	5,871			32,894.47 (2)	479,427.01 (1)									
May	1,479,713	672,669	807,024				263,537.71 (1)									
June	1,001,262						108,315.60 (2)									
July	813,388															
August	776,397	334,307	442,090													
September	838,187															
October	1,205,172															
November	2,087,577	954,592	1,132,986													
December	4,861,196															
January	6,693,093	3,327,102	4,017,715													
February	7,344,817															
March	4,514,128															
April	2,866,544	641,122	738,359													
May	1,379,481															
June	891,921															
July	793,150	344,017	449,334													
August	793,351															
Total Amount Billed Under GCAA																
				(1,500,939)	(3,942,665)	1,858,256	12,267,225	1,723,623	1,132,568	9,044,642	19,100,715					
Remaining Amount of Over (Under) Recovery				398,606	97,767	20,236	36,987	40,066	(46,186)	(646,088)	(1,472,569)					

(1) GCAA Times Sales Shown in Column 1.
(2) GCAA Times Sales Shown in Column 2.
(3) GCAA Times Sales Shown in Column 3.
(4) GCAA Times Sales Shown in Column 4.

LOUISVILLE GAS AND ELECTRIC COMPANY

Gas Supply Clause: 2004-00XXX

Refund Factors (RF) continuing for twelve months from the effective date of each or until LG&E has discharged its refund obligations thereunder.

The purpose of this adjustment is to pass through refunds received by Louisville Gas and Electric Company ("LG&E") associated with Texas Gas Transmission Corporation.

Since no new refunds have been received, there is no Refund Factor in effect and applicable to gas service rendered for the period November 1, 2004 through January 31, 2005.

	<u>Sale Volumes</u>	<u>Transportation Volumes</u>
Refund Factor Effective November 1, 2004 (a)	\$0.0000/Ccf	\$0.0000/Ccf

- (a) Please note that Louisville Gas and Electric's Tariff Sales Volumes receive both the commodity-related and demand-related portion of the Refund Factor. Transportation volumes under the Rate TS receive only the demand-related portion of the Refund Factor

LOUISVILLE GAS AND ELECTRIC

**Gas Supply Clause: 2004-00xxx
Calculation of Performance Based Rate Recovery Component (PBRRC)**

The purpose of the PBRRC is to collect Louisville Gas and Electric's portion of the savings created under the gas supply cost PBR. Pursuant to the gas supply cost PBR mechanism approved in Case No. 2001-00117, the PBRRC established in Case No. 2003-00506, which became applicable to gas service rendered on and after February 1, 2004 and will remain in effect until January 31, 2005, is \$0.01084 and \$0.00294 per 100 cubic feet for sales and standby transportation volumes respectively:

	<u>Sales Volumes</u>	<u>Transportation Volumes</u>
Commodity-Related Portion	\$0.00790/Ccf	\$0.00000/Ccf
Demand-Related Portion	<u>\$0.00294/Ccf</u>	<u>\$0.00294/Ccf</u>
Total PBRRC	\$0.01084/Ccf	\$0.00294/Ccf

Please note that Louisville Gas and Electric's tariff sales volumes receive both the commodity-related and demand-related portion of the PBRRC. Transportation volumes under Rate TS receive only the demand-related portion of the PBRRC.

Gas Supply Clause 2004-00XXX
Shareholder Portion of PBR Savings
PBR Year 6
Split between Demand (Fixed) and Commodity (Volumetric) Components
As Determined in LG&E's Fourth Quarterly PBR Filing

	<u>Commodity</u>	<u>Demand</u>	<u>Total</u>
Company Share of PBR Savings or (Expenses) (CSPBR)	\$2,877,545	\$1,082,742	\$3,960,287

LOUISVILLE GAS AND ELECTRIC COMPANY

**GAS SERVICE RATES EFFECTIVE WITH SERVICE
RENDERED FROM NOVEMBER 1, 2004 THROUGH JANUARY 31, 2005**

	RATE PER 100 CUBIC FEET				TOTAL
	CUSTOMER CHARGE (PER MONTH)	DISTRIBUTION COST COMPONENT	GAS SUPPLY COST COMPONENT (GSCC)	DSM COST RECOVERY COMPONENT	
RATE RGS - RESIDENTIAL					
CUSTOMER CHARGE	\$8.50				
ALL CCF		\$0.15470	\$0.83816	0.00324	\$0.99610
RATE CGS - COMMERCIAL (meter capacity < 5000 CF/HR)					
CUSTOMER CHARGE	\$16.50				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$0.83816	-0.00053	\$0.98731
OVER 1000 CCF/MONTH		\$0.09968	\$0.83816	-0.00053	\$0.93731
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$0.83816	-0.00053	\$0.98731
RATE CGS - COMMERCIAL (meter capacity >= 5000 CF/HR)					
CUSTOMER CHARGE	\$117.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$0.83816	-0.00053	\$0.98731
OVER 1000 CCF/MONTH		\$0.09968	\$0.83816	-0.00053	\$0.93731
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$0.83816	-0.00053	\$0.98731
RATE IGS - INDUSTRIAL (meter capacity < 5000 CF/HR)					
CUSTOMER CHARGE	\$16.50				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$0.83816	0.00000	\$0.98784
OVER 1000 CCF/MONTH		\$0.09968	\$0.83816	0.00000	\$0.93784
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$0.83816	0.00000	\$0.98784
RATE IGS - INDUSTRIAL (meter capacity >= 5000 CF/HR)					
CUSTOMER CHARGE	\$117.00				
APRIL THRU OCTOBER					
FIRST 1000 CCF/MONTH		\$0.14968	\$0.83816	0.00000	\$0.98784
OVER 1000 CCF/MONTH		\$0.09968	\$0.83816	0.00000	\$0.93784
NOVEMBER THRU MARCH					
ALL CCF		\$0.14968	\$0.83816	0.00000	\$0.98784
Rate AAGA	\$150.00	\$0.05252	\$0.83816	-0.00053	\$0.89015

EFFECTIVE RATES FOR RATE TS TRANSPORTATION SERVICE

RENDERED FROM NOVEMBER 1, 2004 THROUGH JANUARY 31, 2005

	<u>RATE PER MCF</u>				
	<u>ADMIN. CHARGE (PER MONTH)</u>	<u>LG&E DIST CHARGE</u>	<u>PIPELINE SUPPLIER'S DEMAND COMPONENT</u>	<u>DSM COST RECOVERY COMPONENT</u>	<u>TOTAL</u>
RATE TS					
RATE CGS - COMMERCIAL	\$90.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.4968	\$0.9229	-0.00530	\$2.4144
OVER 100 MCF/MONTH		\$0.9968	\$0.9229	-0.00530	\$1.9144
NOVEMBER THRU MARCH					
ALL MCF		\$1.4968	\$0.9229	-0.00530	\$2.4144
RATE IGS - INDUSTRIAL	\$90.00				
APRIL THRU OCTOBER					
FIRST 100 MCF/MONTH		\$1.4968	\$0.9229	0.00000	\$2.4197
OVER 100 MCF/MONTH		\$0.9968	\$0.9229	0.00000	\$1.9197
NOVEMBER THRU MARCH					
ALL MCF		\$1.4968	\$0.9229	0.00000	\$2.4197
Rate AAGS	\$90.00	\$0.5252	\$0.9229	-0.00530	\$1.4428

L G & E

Charges for Gas Transportation Services Provided Under Rate FT

(November 1, 2004 Through January 31, 2005)

Transportation Service:

Monthly Transportation Administrative Charge	\$90.00
Distribution Charge / Mcf Delivered	\$0.4300

Ancillary Services:

Daily Demand Charge	\$0.2189
Daily Storage Charge	<u>\$0.1200</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3389
Monthly Demand Charge per Mcf of Reserved Balancing Service	\$6.66

Cash-Out Provision for Monthly Imbalances	Percentage to be Multiplied by Cash-Out Price *
-------------------------------------------	-------------------------------------------------------

Cash-Out Provision for Monthly Imbalances:

Where Usage is Greater than Transported Volume - Billing:

First 5% or less	100%
next 5%	110%
next 5%	120%
next 5%	130%
> than 20%	140%

Where Transported Volume is Greater than Usage - Purchase:

First 5% or less	100%
next 5%	90%
next 5%	80%
next 5%	70%
> than 20%	60%

* The Cash-Out Price for customer over-deliveries is the lowest mid-point price posted in "Gas Daily" for Dominion - South Point during the month; the Cash-Out Price for customer under-deliveries is the highest mid-point price posted in "Gas Daily" for Dominion - South Point during the month.

L G & E

**Charges for Gas Transportation Services Provided Under Rate FT
(for Special Contract Customers)**

(November 1, 2004 Through January 31, 2005)

Transportation Service:

Monthly Transportation Administrative Charge	\$90.00
Monthly Customer Charge	\$180.00
Distribution Charge / Mcf Delivered	\$0.1049
Monthly Demand Charge/Mcf	\$2.75

Ancillary Services:

Daily Demand Charge	\$0.2189
Daily Storage Charge	<u>\$0.1200</u>
Utilization Charge per Mcf for Daily Balancing	\$0.3389
Monthly Demand Charge per Mcf of Reserved Balancing Service	\$6.66

Cash-Out Provision for Monthly Imbalances	Percentage to be Multiplied by Cash-Out Price *
-------------------------------------------	-------------------------------------------------------

Cash-Out Provision for Monthly Imbalances:

Where Usage is Greater than Transported Volume - Billing:

First 5% or less	100%
next 5%	110%
next 5%	120%
next 5%	130%
> than 20%	140%

Where Transported Volume is Greater than Usage - Purchase:

First 5% or less	100%
next 5%	90%
next 5%	80%
next 5%	70%
> than 20%	60%

* The Cash-Out Price for customer over-deliveries is the lowest mid-point price posted in "Gas Daily" for Dominion - South Point during the month; the Cash-Out Price for customer under-deliveries is the highest mid-point price posted in "Gas Daily" for Dominion - South Point during the month.
